



ARIZONA STATE SENATE
Fifty-Third Legislature, First Regular Session

AMENDED
FACT SHEET FOR S.B. 1522

general appropriations act; 2017-2018

Purpose

Makes statutory and session law changes related to general appropriations necessary to implement the FY 2018 state budget.

Background

Additional information on the budget plan can be found at: <http://www.azleg.gov/jlbc/house-senateplanasengrossed050517.pdf>

Provisions

1. The following table indicates General Fund (GF) changes for each appropriated state agency for FY 2018:

	FY 2017 GF 5/2	FY 2018 Baseline 2/ Above FY 17	FY 18 5/2 Chng to FY 18 Baseline	FY 2018 GF 5/2
TOTAL - OPERATING SPENDING CHANGES	9,529,905,000	79,800,500	209,617,400	9,811,175,100
CAPITAL SPENDING				
ADOA Building Renewal	8,000,000	(8,000,000)	5,700,000	5,700,000
Veterans Home - Flagstaff	10,000,000	(10,000,000)		0
State Highway Transportation Funding	56,500,000	(56,500,000)		0
Local HURF Transportation Funding	30,000,000	(30,000,000)	Other Fund - \$30 M	0
TOTAL - CAPITAL SPENDING	104,500,000	(104,500,000)	5,700,000	5,700,000
TOTAL - ALL SPENDING	9,634,405,000	(24,699,500)	215,317,400	9,816,875,100
REVENUE CHANGES				
Ongoing Revenue				
REV - Ongoing Revenue	9,377,013,700	269,434,700	37,000,900	9,683,449,300
REV - Inflation Index Personal Exemption	0		(2,865,000)	(2,865,000)
REV - Reduce Ongoing Judiciary Transfers	0		(400,000)	(400,000)
REV - Captive Insurance Fund	0		(100,000)	(100,000)
One-Time Revenue				
REV - Beginning Balance	284,015,000	(169,881,900)	56,852,200	170,985,300
REV - ADOA - Health Insurance Trust Fund Transfer	78,900,000	(78,900,000)		0
REV - ADOA - Automation Operations Fund Transfer	461,600	(461,600)		0
REV - AHCCCS - Moody's Settlement	0		8,172,700	8,172,700
REV - AHCCCS - Prescription Drug Rebate Fund Transfer	30,000,000			0
REV - AHCCCS - Behavioral Health Fund Transfer	35,000,000			0
TOTAL - REVENUE CHANGES 3/	9,805,390,300	20,191,200	98,660,800	9,859,242,300
ENDING BALANCE	170,985,300	44,890,700	(116,656,600)	42,367,200

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	FY 2017 GF 5/5	FY 2018 Baseline 2/ Above FY 17	FY 18 5/5 Chng to FY 18 Baseline	FY 2018 GF 5/5
CCO - Formula Changes		657,700		
CCO - Gila County Workforce Development			250,000	
COR - Corporation Commission	2,611,600			611,600
COR - Remove One-time Automation Funding		(2,000,000)		
ADC - Department of Corrections	1,046,682,600			1,055,469,400
ADC - Annualize 1,000 Medium Security Beds		7,090,800	(3,965,400)	
ADC - Remove One-time Equipment Costs		(108,200)		
ADC - Inmate Health Care - Population Adjustment			1,474,600	
ADC - Retirement Adjustment			8,377,100	
ADC - Inmate Health Care - Increased Medicaid Savings			(2,500,000)	
ADC - Recidivism Reduction Initiatives			517,900	
ADC - Kingman Prison Refinance Savings			(2,100,000)	
CF - County Funding	14,000,500			15,650,700
CF - One-time Additional County Distribution		(8,000,000)	8,000,000	
CF - Base \$550k County Distribution to Mohave/Yavapai/Pinal			1,650,200	
SDB - Arizona State Schools for the Deaf and the Blind	21,378,100			21,378,100
OEC - Office of Economic Opportunity	1,068,700			484,100
OEC - Remove One-time Small Water Systems Fund Deposit		(500,000)		
OEC - Remove One-time Regulatory Cost Model Funding		(84,600)		
DES - Department of Economic Security	530,124,400			585,736,000
DES - DD Caseload/Inflation Funding		18,644,500		
DES - Remove One-time Domestic Violence Shelter Funding		(100,000)	Shift to Other Fund	
DES - Remove One-time ABLE Account Funding		(240,000)		
DES - Adult Protective Services Staff			Other Fund - \$2.0 M	
DES - Early Intervention Referral and Cost Increase			2,000,000	
DES - Prop 206 Minimum Wage Increase			23,307,100	
DES - Additional One-Time Prop 206 Funding			10,000,000	
DES - One-Time DD Room and Board			2,000,000	
BOE - State Board of Education	1,094,000			1,142,800
BOE - Shift From ADE			48,800	
ADE - Arizona Department of Education	4,069,375,800			4,226,823,000
ADE - Base Adjustment		4,857,400		
ADE - Enrollment Growth		87,526,600	(3,357,100)	
ADE - Higher Average Cost Per Pupil		21,000,000		
ADE - Inflation		79,519,800		
ADE - New Construction		(58,082,100)		
ADE - Homeowner's Rebate		6,852,200		
ADE - Land Trust Distribution		(16,032,700)	(58,900)	
ADE - Eliminate Multi-Site Charters Small School Weight		(18,100,000)		
ADE - Eliminate JTED Funding For HS Graduates		(1,800,000)		
ADE - District Sponsored Charter Phase-Out		(1,148,000)		
ADE - Eliminate Current Year Funding		(31,000,000)		
ADE - Empowerment Scholarship Accounts		818,800		
ADE - One-time Geographic Literacy Funding		(100,000)	100,000	
ADE - College Test Incentives (Previously Enacted)		5,000,000		
ADE - 1.06% Teacher Salary Increase			34,000,000	
ADE - Results-Based Funding			37,600,000	
ADE - Early Literacy Funding			8,000,000	
ADE - JTED Completion Grants			1,000,000	
ADE - Arizona Broadband for Education Initiative			Other Fund - \$3.0 M	
ADE - School Resource Officers			500,000	
ADE - One-Time Teacher Professional Development Pilot (SB 1038)			300,000	
ADE - Jobs for Arizona's Graduates			100,000	
ADE - Move ISA Funding to Board of Education			(48,800)	
EMA - Department of Emergency & Military Affairs	12,619,500			12,619,500
DEQ - Department of Environmental Quality	2,823,600			2,823,600
OEO - Governor's Office of Equal Opportunity	189,100			189,100
EQU - State Board of Equalization	643,000			643,000
EXE - Board of Executive Clemency	952,600			952,600
DFI - Dept of Financial Institutions	2,978,200			1,478,200
DFI - Fund Shift			(1,500,000)	
FOR - Department of Forestry and Fire Management	10,442,800			11,855,300
FOR - Deputy Fire Marshal			100,000	
FOR - Post-Release Fire Crew			1,465,100	
FOR - Fire Communication Improvements			169,900	
FOR - Remove One-time Fire Management Software Costs		(20,000)		
FOR - Eliminate One-time Inmate Fire Crew Carriers Funding		(190,000)		

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	FY 2017 GF 5/5	FY 2018 Baseline 2/ Above FY 17	FY 18 5/5 Chng to FY 18 Baseline	FY 2018 GF 5/5
FOR - Eliminate One-time Wildland Fire Engines Funding		(112,500)		
GAM - Department of Gaming	1,979,500			1,779,500
GAM - Eliminate One-time Breeder's Award Fund Deposit		(200,000)	Other Fund - \$250k	
GOV - Office of the Governor	6,849,900			8,799,900
GOV - Foster Youth Education Success Program (One-time)		1,500,000		
GOV - School Leadership Training			250,000	
GOV - Computer Science Initiative			200,000	
OSP - Gov's Office of Strategic Planning & Budgeting	1,994,000			1,994,000
DHS - Department of Health Services	86,551,700			86,734,700
DHS - Reduce Operating Budget			(2,800,000)	
DHS - Increase Arizona State Hospital (ASH) Funding			2,800,000	
DHS - Renal Transplant Drugs			183,000	
AZH - Arizona Historical Society	2,722,900			2,722,900
PAZ - Prescott Historical Society	824,500			824,500
DOH - Department of Housing	811,400			811,400
IND - Independent Redistricting Commission	1,115,300			0
IND - Work Completed			(1,115,300)	
INS - Department of Insurance	5,824,300			5,824,300
SPA - Judiciary - Supreme Court	19,219,500			18,716,500
SPA - 2 New Supreme Court Justices		425,400		
SPA - 1.5% Judicial Pay Raise		20,300		
SPA - IT Funding (One-time)		(948,700)		
COA - Judiciary - Court of Appeals	14,280,400			14,578,100
COA - 1.5% Judicial Pay Raise		61,700		
COA - Court of Appeals - Division I Staff			148,800	
COA - Court of Appeals - Division II Staff			87,200	
SUP - Judiciary - Superior Court	79,517,800			77,234,500
SUP - Remove One-time Dependency Surge Funding		(3,000,000)		
SUP - 1.5% Judicial Pay Raise		111,000		
SUP - Maricopa County Court Ordered Removals			75,000	
SUP - Special Water Master Increase			30,700	
SUP - Adult Standard Probation Growth			500,000	
DJC - Department of Juvenile Corrections	24,180,400			19,180,400
DJC - Spending Reduction			(5,000,000)	
LAN - State Land Department	12,491,400			12,715,900
LAN - CAP Fees		224,500		
Legislature				
AUD - Auditor General	18,066,500			18,439,000
AUD - Remove One-time Audit Funding		(200,000)		
AUD - Special Investigative Unit			572,500	
HOU - House of Representatives	13,201,500			13,201,500
JLBC - Joint Legislative Budget Committee	2,488,300			2,488,300
LEG - Legislative Council	8,215,400			8,215,400
SEN - Senate	9,408,500			9,408,500
MIN - State Mine Inspector	1,212,500			1,212,500
NAV - Arizona Navigable Steam Adjudication Comm.	124,000			124,000
POS - Commission for Postsecondary Education	1,396,800			1,881,800
POS - College Readiness			235,000	
POS - MSSE Teacher Loan Forgiveness Program Increase			250,000	
DPS - Department of Public Safety	121,195,700			108,654,600
DPS - Remove One-time Sexual Assault Kit Testing Funding		(500,000)		
DPS - Remove One-time Border Strike Task Force Funding		(14,600,000)		
DPS - Retirement Adjustment			2,612,400	
DPS - Eliminate Backlog of Untested Sexual Assault Kits			Redirect GF - \$1.2 M	
DPS - Remove One-Time Consultant			(53,500)	
PSP - Public Safety Personnel Retirement System	6,000,000			6,000,000
RAD - Radiation Regulatory Agency	1,563,100			1,563,100

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	FY 2017 GF 5/5	FY 2018 Baseline 2/ Above FY 17	FY 18 5/5 Chng to FY 18 Baseline	FY 2018 GF 5/5
REA - State Real Estate Department	2,994,900			2,994,900
REV - Department of Revenue	31,998,300			29,998,300
REV - Remove One-time Military Withholding Refunds		(2,000,000)		
SFB - School Facilities Board	228,094,400			292,272,600
SFB - New School Construction (Site Conditions)		1,000,000		
SFB - New School Construction (Benson USD)		(1,174,600)		
SFB - New Construction (FY 18 Starts)			62,929,800	
SFB - Lease-Purchase Changes		(244,900)		
SFB - Remove One-time Credit Enhancement Funding		(500,000)		
SFB - Remove One-time Building Renewal Grants		(15,000,000)		
SFB - New Building Renewal Grants			17,167,900	
SOS - Secretary of State	14,969,200			12,084,700
SOS - No Election in FY 2018		(3,384,500)		
SOS - One-Time Operating Funding			500,000	
TAX - State Board of Tax Appeals	266,600			266,600
TOU - Office of Tourism	7,112,000			7,112,000
DOT - Department of Transportation	50,400			50,400
TRE - State Treasurer	1,205,100			1,205,100
OTR - Governor's Office on Tribal Relations	57,500			57,500
UNI - Universities				
UNI - Arizona Board of Regents	21,928,400			6,887,200
UNI - Allocate Performance Funding to Universities Budgets			(5,000,000)	
UNI - Allocate Financial Aid Trust Funding to Universities Budgets			(10,041,200)	
UNI - ASU - Tempe/DPC	253,651,900			264,916,700
UNI - Refinance Adjustment		2,290,700		
UNI - Remove One-time Additional Resources		(7,000,000)		
UNI - Allocate Performance Funding to Universities Budgets			2,348,800	
UNI - Allocate Financial Aid Trust Funding to Universities Budgets			5,985,800	
UNI - Capital/Operational Funding (w/ \$1 M Freedom School Allocation)			7,639,500	
UNI - ASU - East Campus	22,523,100			22,688,400
UNI - Allocate Performance Funding to Universities Budgets			165,300	
UNI - ASU - West Campus	29,222,600			29,413,500
UNI - Allocate Performance Funding to Universities Budgets			190,900	
UNI - Northern Arizona University	105,227,000			108,495,500
UNI - Refinance Adjustment		1,649,700		
UNI - Remove One-time Additional Resources		(4,000,000)		
UNI - Allocate Performance Funding to Universities Budgets			1,090,000	
UNI - Allocate Financial Aid Trust Funding to Universities Budgets			1,326,000	
UNI - Capital/Operational Funding			3,202,800	
UNI - UA - Main Campus	197,059,600			198,363,600
UNI - Refinance Adjustment		270,900		
UNI - Remove One-time Additional Resources		(8,000,000)		
UNI - Geological Survey (SB 1184)			941,000	
UNI - Allocate Performance Funding to Universities Budgets			1,205,000	
UNI - Allocate Financial Aid Trust Funding to Universities Budgets			2,729,400	
UNI - Capital/Operational Funding (w/ \$1 M Freedom School Allocation)			4,157,700	
UNI - UA - Health Sciences Center	68,859,800			68,859,800
VSC - Department of Veterans' Services	6,054,100			6,054,100
WAT - Department of Water Resources	13,012,600			15,871,000
WAT - Water Protection Fund Deposit		(250,000)	250,000	
WAT - Drought Contingency Plan			2,000,000	
WAT - General Streams Adjudications Personnel			477,000	
WAT - Legal Support for Adjudications & CO River			121,300	
WAT - GIS Personnel			93,800	
WAT - Active Management Area Personnel			166,300	
OTH - Other				
OTH - FY 17 Supplemental/Ex-Appropriation	25,453,500	(17,305,700)		0
OTH - Debt Service Payments	84,117,400	(2,300)		84,115,100
OTH - Civic Center Debt Service	20,449,000	2,050,000		22,499,000
OTH - Rio Nuevo Distribution	10,000,000			10,000,000
OTH - Administrative Adjustments	100,000,000			100,000,000
OTH - Revertments	(140,000,000)	20,000,000	(20,682,500)	(140,682,500)
OTH - Executive Reductions/Efficiency Savings	0	0	(10,000,000)	(10,000,000)

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	FY 2017 GF 5/5	FY 2018 Baseline 2/ Above FY 17	FY 18 5/5 Chng to FY 18 Baseline	FY 2018 GF 5/5
OTH - HITF One-Time Employer Premium	0	0	25,000,000	25,000,000
TOTAL - OPERATING SPENDING CHANGES	9,529,905,000	79,800,500	209,704,600	9,811,262,300
CAPITAL SPENDING				
ADOA Building Renewal	8,000,000	(8,000,000)	5,700,000	5,700,000
Veterans Home - Flagstaff	10,000,000	(10,000,000)		0
State Highway Transportation Funding	56,500,000	(56,500,000)		0
Local HURF Transportation Funding	30,000,000	(30,000,000)	Other Fund - \$30 M	0
TOTAL - CAPITAL SPENDING	104,500,000	(104,500,000)	5,700,000	5,700,000
TOTAL - ALL SPENDING	9,634,405,000	(24,699,500)	215,404,600	9,816,962,300
REVENUE CHANGES				
Ongoing Revenue				
REV - Ongoing Revenue	9,377,013,700	269,434,700	37,000,900	9,683,449,300
REV - Inflation Index Personal Exemption	0		(6,821,400)	(6,821,400)
REV - Reduce Ongoing Judiciary Transfers	0		(400,000)	(400,000)
REV - Captive Insurance Fund	0		(100,000)	(100,000)
One-Time Revenue				
REV - Beginning Balance	284,015,000	(169,881,900)	56,852,200	170,985,300
REV - ADOA - Health Insurance Trust Fund Transfer	78,900,000	(78,900,000)		0
REV - ADOA - Automation Operations Fund Transfer	461,600	(461,600)		0
REV - AHCCCS - Moody's Settlement	0		8,172,700	8,172,700
REV - AHCCCS - Prescription Drug Rebate Fund Transfer	30,000,000			0
REV - AHCCCS - Behavioral Health Fund Transfer	35,000,000			0
TOTAL - REVENUE CHANGES 3/	9,805,390,300	20,191,200	94,704,400	9,855,285,900
ENDING BALANCE	170,985,300	44,890,700	(120,700,200)	38,323,600

2. The following table indicates other fund (OF) changes for each appropriated state agency for FY 2018:

	FY 2017 OF 5/5	FY 2018 Baseline 2/ Above FY 2017	FY 18 5/5 Chng to FY 18 Baseline	FY 2018 OF 5/5
OPERATING SPENDING CHANGES				
SBA - State Board of Accountancy	1,937,000			2,024,400
SBA - Administrative Services Officer			87,400	
ACU - Acupuncture Board of Examiners	178,500			185,500
ACU - Remove One-Time Rulemaking Funding		(3,000)		
ACU - Auditor General Findings and Recommendations			10,000	
ACU - Statewide e-Licensing System			Transfer	
DOA - Arizona Department of Administration	188,225,000			186,972,300
DOA - Adjust Insurance Claims Related Exp. (Risk Mgmt)			683,700	
DOA - Adjust Insurance Claims Related Exp. (Worker's Comp)			671,100	
DOA - Increased Deductible on Risk Mgmt Claims			(3,526,100)	
DOA - Central Services Bureau Staffing Transfer			217,700	
DOA - Government Transformation Funding (Web Portal Fund)		(500,000)	1,000,000	
DOA - One-Time Funding Office of Grants and Fed. Resources (AFIS 2 Fund)			375,900	
DOA - Remove One-time Telecommunications Projects		(175,000)		
APF - Automation Projects Fund/ADOA	47,774,700			55,761,900
APF - One-time ADE Automation		(7,300,000)	7,300,000	
APF - Non-Project Management ASET Funding		(12,098,400)	11,208,600	
APF - DES IT Security Projects		(1,294,700)	Non-Lapsing	
APF - DCS Automation (\$5 M in Baseline - Leg: \$11.1 M Total)		418,400	6,100,000	
APF - DOR IT Infrastructure			11,000,000	
APF - DOA HRIS Replacement			500,000	
APF - DPS Microwave Backbone			2,500,000	
APF - DPS Criminal Justice Information System			2,343,000	
APF - DEQ e-Licensing			3,200,000	
APF - Lottery IT System Replacement			3,497,400	
APF - Industrial Commission Claims Processing System			1,017,400	
APF - Automation Projects Non-Lapsing Authority ('17 into '18)			In Baseline	
APF - Statewide e-Licensing Project			595,500	
APF - Remove ADC Automation		(8,000,000)		
APF - Remove DOR Automation - Tax System Assessment		(1,000,000)		
APF - Remove DOA Procurement		(12,000,000)		

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	FY 2017 OF 5/5	FY 2018 Baseline 2/ Above FY 2017	FY 18 5/5 Chng to FY 18 Baseline	FY 2018 OF 5/5
AGR - Department of Agriculture	1,434,400			1,434,400
AXS - AHCCCS	215,012,700			361,519,300
AXS - Acute Care Caseload/Inflation		110,595,200		
AXS - Increased Prescription Drug Rebate Spending			30,000,000	
AXS - CHIP Administrative Funding			4,000,000	
AXS - Adult Emergency Dental			1,490,500	
AXS - Prescription Drug Review Initiative			220,900	
AXS - Prop 206 Network Adequacy Study			200,000	
ART - Arizona Commission on the Arts	1,500,000			1,500,000
ART - One-Time BSF Funding		(1,500,000)	1,500,000	
BAT - Board of Athletic Training	119,100			119,100
BAT - Statewide e-Licensing System			Transfer	
ATT - Attorney General	45,119,700			45,819,700
ATT - Healthcare Fraud and Abuse Section Increase (CPCF)			700,000	
ATA - Automobile Theft Authority	5,295,500			5,295,500
BAR - Board of Barbers	370,700			341,800
BAR - Statewide e-Licensing System			Transfer	
BAR - Increased Accounting Costs			6,000	
BAR - Remove FY 17 One-Time Appropriation			(34,900)	
BHE - Board of Behavioral Health Examiners	1,759,100			1,759,100
DCS - Department of Child Safety	178,139,100			180,610,300
DCS - Litigation Support			2,471,200	
BCE - State Board of Chiropractic Examiners	451,100			451,100
ROC - Registrar of Contractors	12,165,400			12,165,400
COR - Corporation Commission	26,325,600			26,325,600
ADC - Department of Corrections	50,470,000			51,547,700
ADC - Remove One-time Radio Replacement Funding		(2,800,000)		
ADC - Bed Plan - Annualization of 1,000 Beds			3,877,700	
COS - Board of Cosmetology	1,805,200			1,839,400
COS - Retirement Expenses			34,200	
JUS - Arizona Criminal Justice Commission	6,445,400			6,445,400
SDB - AZ State Schools for the Deaf and the Blind	11,677,700			11,838,900
SDB - Base Level Increase		161,200		
HEA - Comm for the Deaf & the Hard of Hearing	4,309,500			4,604,300
HEA - Support Services for the Deaf-Blind (Add as SLI)			192,000	
HEA - Hearing Aid Assistance FTE			102,800	
DEN - Board of Dental Examiners	1,214,500			1,214,500
DES - Department of Economic Security	293,945,000			293,445,000
DES - Domestic Violence Fund		(1,500,000)	1,500,000	
DES - Domestic Violence Funding (Health Lottery)			100,000	
DES - Remove One-time DD Room and Board Funding		(600,000)		
DES - APS Caseload Growth Funding (Health Lottery Fund)		(2,000,000)	2,000,000	
DES - Maintain One-time Area Agencies on Aging Funding (Health Lottery)		(700,000)	700,000	
ADE - Arizona Department of Education	233,394,800			254,434,100
ADE - Land Trust Distribution		15,480,400	58,900	
ADE - Rural Schools			2,600,000	
ADE - ESA Administration Funding			400,000	
ADE - One-Time Broadband Expansion			3,000,000	
ADE - Remove One-time Code Writers Pilot Funding		(500,000)		
DEQ - Department of Environmental Quality	76,334,900			79,923,200
DEQ - Maintain One-time WQARF Funding Increase		(2,948,600)	2,948,600	
DEQ - Interim WQARF Funding			3,588,300	
COL - Arizona Exposition and State Fair Board	11,613,300			12,113,300
COL - Marketing and Performances			500,000	
DFI - Dept of Financial Institutions	2,268,100			4,018,600
DFI - Financial Institutions Division - Add 3 Examiners			250,500	

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	FY 2017 OF 5/5	FY 2018 Baseline 2/ Above FY 2017	FY 18 5/5 Chng to FY 18 Baseline	FY 2018 OF 5/5
DFI - Financial Services Backfill GF			1,500,000	
EMB - Board of Funeral Directors and Embalmers	373,300			373,300
EMB - Statewide e-Licensing System			Transfer	
FIS - Arizona Game and Fish Department	42,238,600			43,960,000
FIS - Remove One-time Aquatic Invasive Species Funding		(375,000)		
FIS - Remove One-time Law Enforcement Watercraft Funding		(246,000)		
FIS - Curtailing Spread of Invasive Species			513,800	
FIS - One-Time Game and Fish Trucks			485,700	
FIS - One-Time Watercraft Safety Equipment			701,000	
FIS - Retirement Adjustment			641,900	
GAM - Department of Gaming	16,318,700			15,568,700
GAM - One-Time Breeders' Award Fund Deposit			250,000	
GAM - Align Racing Division Appropriation With Reduced Assessment			(1,000,000)	
DHS - Department of Health Services	52,867,300			52,270,200
DHS - Remove One-time ASH Equipment Funding		(230,100)		
DHS - One-time Alzheimer's Research Funding		(1,000,000)	1,000,000	
DHS - Remove One-time Pediatric Autoimmune Disorders Funding		(250,000)		
DHS - Severe Combined Immunodeficiency Testing			513,000	
DHS - One-Time Public Health Emergency Funding - Emer. Serv. Fund - SLI			500,000	
DHS - State Loan Repayment Program - Emergency Services Fund - SLI			350,000	
DHS - ASH Equipment Repairs			320,000	
DHS - ASH Fund GF Backfill			(2,800,000)	
DHS - Operating - Indirect Cost Fund			1,000,000	
HOM - Board of Homeopathic & Integrated Medicine Examiners	103,000			87,300
HOM - Align Appropriation With Revenues		(15,700)		
DOH - Department of Housing	318,500			318,500
IND - Industrial Commission	19,881,300			19,881,300
IND - Claims Division Computer System			Transfer	
SPA - Judiciary - Supreme Court	29,208,800			32,995,800
SPA - One-time Felony Pre-Trial Intervention Funding (SB 1278)		(250,000)	2,750,000	
SPA - Court Appointed Special Advocate Fund Increase			400,000	
SPA - Courthouse Security Funding			750,000	
SPA - Risk Management Adjustment			137,000	
SUP - Judiciary - Superior Court	11,953,300			12,203,300
SUP - Drug Treatment Alternative to Prison (Health Lottery)			250,000	
DJC - Department of Juvenile Corrections	15,379,800			16,391,000
DJC - Retirement Adjustment			1,011,200	
LAN - State Land Department	4,797,100			7,247,100
LAN - Professional Service Contracts (One-time)			250,000	
LAN - Re-assess Federal Permits (One-time)			750,000	
LAN - Rights of Way Digitization (One-time)			450,000	
LAN - Survey Assets (One-time)			500,000	
LAN - Workflow Digitization (One-time)			500,000	
Legislature				
LEG - Auditor General	0			200,000
LEG - One-Time Funding For CAWCD Audit			200,000	
LEG - Legislative Council	250,000			0
LEG - Remove One-time Hearing Loop Funding		(250,000)	0	
LIQ - Department of Liquor Licenses & Control	3,007,400			3,007,400
LOT - Arizona State Lottery Commission	113,225,100			114,316,100
LOT - Sales Adjustment		4,678,500		
LOT - IT System Replacement			Transfer	
LOT - Ticket Printing Cost Decrease			(3,587,500)	
MAS - Board of Massage Therapy	470,100			461,100
MAS - IT Maintenance			6,000	
MAS - Remove One-time On-Line Renewal IT Funding		(15,000)		
MED - Arizona Medical Board	6,463,600			6,784,000
MED - Licensing and Investigations Staff and Consultants			320,400	
MIN - State Mine Inspector	112,900			112,900

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	FY 2017 OF 5/5	FY 2018 Baseline 2/ Above FY 2017	FY 18 5/5 Chng to FY 18 Baseline	FY 2018 OF 5/5
NAT - Naturopathic Physicians Medical Board	184,200			180,200
NAT - Remove One-time IT Equipment Funding		(4,000)		
NAV - Navigable Stream Adjudication Commission	200,000			200,000
NUR - State Board of Nursing	4,784,800			4,804,800
NUR - Server Relocation Plan			20,000	
NCI - Nursing Care Inst. Administrators Board	445,400			421,400
NCI - Remove FY 17 One-Time IT Appropriation			(24,000)	
NCI - Statewide e-Licensing System			Transfer	
OCC - Board of Occupational Therapy Examiners	170,700			180,700
OCC - Statewide e-Licensing System			Transfer	
OCC - New Multi-Function Printer			10,000	
DIS - State Board of Dispensing Opticians	140,000			140,000
DIS - Statewide e-Licensing System			Transfer	
OPT - State Board of Optometry	210,100			220,100
OPT - Increasing Investigation Costs			10,000	
OPT - Statewide e-Licensing System			Transfer	
OST - AZ Board of Osteopathic Examiners in Medicine/Surgery	940,500			905,500
OST - Remove One-time Database/Licensing System Expenses		(39,000)		
OST - Increase in IT Software Expenses			4,000	
APC - Arizona Parents Comm. On Drug Education and Prevention	300,000			0
APC - Remove One-time Prevention Programs Funding		(300,000)		
SPB - Arizona State Parks Board	14,486,900			14,254,100
SPB - Remove Federal Reduction Offset Funding		(1,500,000)		
SPB - Remove One-time Arizona Trail Funding		(150,000)		
SPB - Retirement Adjustment			117,200	
SPB - Additional Spending Authority			1,300,000	
PER - Personnel Board	375,300			375,300
PHA - Arizona State Board of Pharmacy	2,135,200			2,262,700
PHA - Prescriber Report Cards			125,000	
PHA - SB 1460 - Certificate of Free Sale - Operating Budget			83,000	
PHA - Rule Writer			15,000	
PHA - One-Time Funding Leave Payout			24,500	
PHA - Remove One-time Software Upgrade Funding		(100,000)		
PHA - Remove One-time Leave Payout Funding		(20,000)		
PHY - Board of Physical Therapy Examiners	484,200			441,200
PHY - Remove One-time Laptop Replacement Funding		(10,000)		
PHY - Remove One-time Online Licensing Software			(33,000)	
PHY - Statewide e-Licensing System			Transfer	
PIO - Arizona Pioneers' Home	6,174,600			6,492,600
PIO - Nursing Wage Adjustment			318,000	
POD - State Board of Podiatry Examiners	148,400			148,400
POD - Statewide e-Licensing System			Transfer	
POS - Commission for Postsecondary Education	1,534,100			1,534,100
PRI - Board for Private Postsecondary Education	396,100			416,900
PRI - Statewide e-Licensing System			Transfer	
PRI - Annual Leave Payout for Retiring Director - SLI			20,800	
PSY - State Board of Psychologist Examiners	475,400			475,400
PSY - Statewide e-Licensing System			Transfer	
DPS - Department of Public Safety	171,389,100			172,980,700
DPS - Remove One-time Border Strike Task Force Funding		(4,000,000)		
DPS - One-time Virtual Law Enforcement Training Funding		(2,100,000)		
DPS - 3% Non-Highway Patrol Civilian Pay Increase			1,201,400	
DPS - Microwave Backbone Replacement			Transfer	
DPS - Criminal Justice Information System			Transfer	
DPS - Retirement Adjustment			4,790,200	
DPS - Crime Lab Replacement Equipment			700,000	
DPS - In-Car Cameras			500,000	
DPS - Camera IT Infrastructure			500,000	
RAD - Radiation Regulatory Agency	848,100			848,100

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	FY 2017 OF 5/5	FY 2018 Baseline 2/ Above FY 2017	FY 18 5/5 Chng to FY 18 Baseline	FY 2018 OF 5/5
RUC - Residential Utility Consumer Office	1,331,400			1,331,400
RES - Board of Respiratory Care Examiners	300,300			319,800
RES - Statewide e-Licensing System			Transfer	
RES - Temporary Caseload Increase - SLI			19,500	
RET - Arizona State Retirement System	27,484,200			24,884,200
RET - Remove One-Time Automation Funding		(2,070,000)		
RET - Operating Budget Savings		(230,000)		
RET - Long-Term Disability Contract Savings		(300,000)		
REV - Department of Revenue	46,234,900			46,284,900
REV - ESA Administration Funding			50,000	
SOS - Secretary of State	3,681,500			3,681,500
TEC - State Board of Technical Registration	2,916,400			2,204,400
TEC - IT Maintenance			88,000	
TEC - Remove One-time E-Licensing System Funding		(800,000)		
DOT - Department of Transportation	373,809,500			386,070,300
DOT - Maintain One-time Phoenix Area Freeway Lighting Funding		(1,500,000)	1,500,000	
DOT - Equipment Replacement			4,940,000	
DOT - Driver Safety and Livestock Control			2,400,000	
DOT - Grand Canyon Airport Projects			466,000	
DOT - Transfer Maintenance Recovery Fund from SHF to New Subaccount			(2,000,000)	
DOT - Create Appropriated Maintenance Recovery Subaccount			3,000,000	
DOT - Civil Rights Title VI Compliance			473,000	
DOT - Flagstaff Building Equipment			2,530,000	
DOT - Highway Maintenance Workload			451,800	
TRE - State Treasurer	5,018,100			5,343,100
TRE - ESA Administration Funding			225,000	
TRE - Management Fund Increase			100,000	
UNI - Universities				
UNI - ASU - Tempe/DPC	593,126,200			593,126,200
UNI - ASU - East Campus	44,303,300			44,303,300
UNI - ASU - West Campus	45,790,500			45,790,500
UNI - Northern Arizona University	147,283,300			147,283,300
UNI - UA - Main Campus	405,141,100			405,141,100
UNI - UA - Health Sciences Center	47,491,400			47,491,400
VSC - Department of Veterans' Services	32,046,800			35,147,600
VSC - Additional Spending Authority			4,000,000	
VSC - Remove Fiduciary Program Appropriation			(899,200)	
VME - Veterinary Medical Examining Board	651,900			584,800
VME - Remove One-time On-Line Licensing Software Funding		(67,100)	0	
WAT - Department of Water Resources	2,119,100			2,119,100
OTH - Other				
OTH - FY 17 Supplemental/Ex-Appropriation	65,169,000	(59,225,800)		0
OTH - HITF One-Time Employer Premium			25,000,000	25,000,000
OTH - Unallocated Agency Relocation	576,800	(576,800)		0
OTH - Unallocated AFIS Cost Charges	3,000	(3,000)		0
OTH - Unallocated FY 2017 HITF Rate Reduction	(4,622,500)	4,622,500		0
TOTAL - OPERATING SPENDING CHANGES	\$3,781,934,100	\$5,409,000	171,877,000	\$3,953,276,900
CAPITAL SPENDING CHANGES				
Building Renewal				
Arizona Department of Administration	19,000,000	(19,000,000)	2,600,000	2,600,000
ADC Building Renewal	5,464,300			5,464,300
Game & Fish Department	530,000			530,000
Juvenile Corrections	1,100,000	(1,100,000)		0
Arizona Lottery Commission	118,100	4,100		122,200
Arizona Department of Transportation	4,232,300	(835,500)	1,335,500	4,732,300
New Projects				
ADOT Statewide Highway Construction	50,092,000	54,478,000		104,570,000

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	FY 2017 OF 5/5	FY 2018 Baseline 2/ Above FY 2017	FY 18 5/5 Chng to FY 18 Baseline	FY 2018 OF 5/5
ADOT Bulk Storage Buildings	0		1,100,000	1,100,000
ADOT Safford Equipment Shop	0		4,000,000	4,000,000
ADOT Tempe Vehicle Storage	0		240,000	240,000
ADOT Controlled Access	94,382,000	7,517,000		101,899,000
ADOT Debt Service	126,141,000	(17,324,000)		108,817,000
ADOT Airport Planning	19,079,900	5,475,400		24,555,300
ADOT Vehicle Wash Systems	5,530,000	(5,530,000)		0
Local Transportation Funding	0		30,000,000	30,000,000
ADC - Door Locking Systems	0		1,450,000	1,450,000
Game and Fish Radio Towers	306,000	(306,000)		0
Game and Fish Boat Structures	874,900	(874,900)		0
Game and Fish Capital Projects	3,867,000	(3,867,000)		0
Arizona Exposition and State Fair	1,000,000	(1,000,000)	1,000,000	1,000,000
State Parks Board - Rockin River	0		4,000,000	4,000,000
State Parks Board Capital Projects	1,500,000	(1,500,000)	1,300,000	1,300,000
TOTAL - CAPITAL SPENDING CHANGES	\$333,217,500	\$16,137,100	47,025,500	\$396,380,100
TOTAL - OPERATING & CAPITAL SPENDING	\$4,115,151,600	\$21,546,100	218,902,500	\$4,349,657,000
FUND TRANSFERS				
APF/DOA - Automation Projects Fund - All For IT Projects				
APF/DOA - Automation Operations from ADOA	7,420,600	(5,920,600)	5,203,000	6,703,000
APF/DOA - State Web Portal from ADOA	5,650,000	(5,650,000)	5,065,600	5,065,600
APF/DOA - IT Fund from DOA	527,800	(527,800)	500,000	500,000
APF/DOA - Risk Management from ADOA	0	0	440,000	440,000
APF/DOA - Statewide Transfers for ADOA Procurement	9,000,000	(9,000,000)		0
APF/DOA - Acupuncture Board of Examiner Fund for e-Licensing	0	0	45,900	45,900
APF/DOA - Athletic Training Fund for e-Licensing	0	0	45,900	45,900
APF/DOA - Board of Barbers Fund for e-Licensing	0	0	40,000	40,000
APF/DOA - Board of Funeral Directors' and Embalamers' Fund (e-lic.)	0	0	27,500	27,500
APF/DOA - Nursing Care Administrators Fund for e-Licensing	0	0	27,500	27,500
APF/DOA - Occupational Therapy Fund for e-Licensing	0	0	45,900	45,900
APF/DOA - Board of Dispensing Opticians Fund for e-Licensing	0	0	27,500	27,500
APF/DOA - Board of Optometry Fund for e-Licensing	0	0	45,900	45,900
APF/DOA - Board of Physical Therapy Fund for e-Licensing	0	0	45,900	45,900
APF/DOA - Podiatry Fund for e-Licensing	0	0	27,500	27,500
APF/DOA - Board for Private Postsecondary Ed. Fund for e-Licensing	0	0	80,200	80,200
APF/DOA - Board of Psychologist Examiners Fund for e-licensing	0	0	91,700	91,700
APF/DOA - Board of Respiratory Care Examiners for e-Licensing	0	0	44,100	44,100
APF/DOA - Underground Storage Tank from DEQ	0	0	3,200,000	3,200,000
APF/DOA - Admin Fund from Industrial Commission	0	0	1,017,400	1,017,400
APF/DOA - State Lottery Fund from Lottery Commission	0	0	3,497,400	3,497,400
APF/DOA - Public Safety Equipment Fund from DPS	0	0	1,000,000	1,000,000
APF/DOA - Concealed Weapons Permit Fund from DPS	0	0	2,500,000	2,500,000
APF/DOA - Fingerprint Clearance Card Fund from DPS	0	0	1,343,000	1,343,000
APF/DOA - Administrative Fund from DOR	0	0	4,000,000	4,000,000
APF/DOA - ACI Fund from ADC	1,000,000	(1,000,000)		0
APF/DOA - Inmate Store Proceeds from ADC	1,000,000	(1,000,000)		0
APF/DOA - Penitentiary Land Earnings Fund from ADC	1,000,000	(1,000,000)		0
APF/DOA - Charitable, Penal & Reformatory Land Fund from ADC	1,000,000	(1,000,000)		0
APF/DOA - Special Services Fund from ADC	4,000,000	(4,000,000)		0
APF/DOA - Special Admin Fund from DES	1,294,700	(1,294,700)		0
APF/DOA - Liability Setoff Program Revolving Fund from DOR	1,000,000	(1,000,000)	4,000,000	4,000,000
<u>Other Transfers</u>				0
ADC - Radios - Corrections Fund from Inmate Store Proceeds	1,000,000	(1,000,000)		0
ADC - Radios - Corrections Fund from DOC Revolving Fund	500,000	(500,000)		0
ADC - Radios - Corrections Fund from Penitentiary Land Earnings Fund	400,000	(400,000)		0
ADC - Radios - Corrections Fund from Special Services Fund	400,000	(400,000)		0
ADC - Radios - Corrections Fund from Char., Penal & Ref. Fund	500,000	(500,000)		0
ADC - Locking Systems - ADC Building Ren. Fund from ACOR Revolving	0		1,450,000	1,450,000
DHS - State Hospital Fund from Indirect Cost Fund	3,800,000			0
DHS - State Hospital Fund from Health Service Lottery Fund	0	0	1,300,000	1,300,000
GAM - Racing Regulation Fund from Racing Admin Fund	23,700	(23,700)		0
ADOT - Motor Vehicle to SETIF	1,100,000	(1,100,000)		0
TOTAL - FUND TRANSFERS	\$40,616,800	(\$35,316,800)	35,111,900	\$36,611,900

3. Makes the following changes in addition to the individual agency appropriations, excluding supplemental appropriations, ex-appropriations and fund transfers:

Arizona Commerce Authority

- a) As session law, in accordance with statute (A.R.S. § 43-409), continue to allocate \$21,500,000 of General Fund withholding tax revenue to the Authority in FY 2018.

Counties and Cities & Towns

- b) As session law, continue to appropriate \$550,050 to all counties with populations under 200,000 people according to the 2010 Census. As session law, continue to appropriate \$500,000 to Graham County.
- c) As session law, appropriate \$550,050 in FY 2018 on a one-time basis to all counties with populations over 200,000 people and under 900,000 according to the 2010 Census.
- d) As session law, continue to appropriate \$8,000,000 to all counties in an amount proportionate to their relative population in the 2010 census to partly offset county cost-sharing for the Department of Juvenile Corrections.
- e) As session law, in accordance with statute (A.R.S. § 9-601), continue to appropriate \$22,499,000 from the General Fund for the Phoenix Convention Center.
- f) As session law, continue to provide sales tax revenues to the Rio Nuevo Multipurpose Facility District in accordance with statute (A.R.S. § 42-5031).

Department of Education

- g) As session law, continue to defer \$930,727,700 in Basic State Aid payments from FY 2018 to FY 2019. Appropriate \$930,727,700 in FY 2019 for these deferred payments. Continue to exempt school districts with less than 600 students from the K-12 rollover. Allow the Department of Education to make the rollover payment no later than July 12, 2018.
- h) As session law, continue to require school districts to include in the FY 2018 revenue estimates that they use for computing their FY 2018 tax rates the rollover monies that they will receive for FY 2018 in July 2018.

Debt Service

- i) As session law, continue to appropriate \$84,115,100 from the General Fund to the Arizona Department of Administration in FY 2018 for a debt service payment on the 2010 sale and leaseback of state buildings.

Revenues

- j) As session law, continue to specify revenue and expenditure estimates for FY 2017, FY 2018, FY 2019, and FY 2020.
- k) As session law, continue to require the Executive Branch to provide JLBC preliminary estimates of FY 2017 ending balances by September 15, 2017. Require JLBC Staff to report to JLBC by October 15, 2017 as to whether FY 2018 revenues and ending balance are expected to change by more than \$50,000,000 from budgeted projections.

Statewide

- l) As session law, reduce the FY 2017 individual agency charges for Attorney General services by \$(4,200) for the Department of Agriculture and \$(6,800) for Geological Survey and continue these reductions in FY 2018 and set the total level of charges at \$1,798,500.
- m) As session law, continue to state legislative intent that all budget units receiving appropriations continue to report actual, estimated and
- n) requested expenditures in a format similar to prior years.
- o) As session law, continue to require ADOA to compile a report on Full-Time Equivalent (FTE) Position usage in FY 2018 in all agencies and provide it to the JLBC Director by October 1, 2018. The Universities are exempt from the report but are required to report separately.
- p) As session law, continue to require each agency to submit a report to the JLBC Director by October 1, 2017 on the number of filled appropriated and non-appropriated FTE Positions by fund source as of September 1, 2017.
- q) As session law, continue to require ADOA to report monthly to the JLBC Director on agency transfers of spending authority from one expenditure class to another or between programs.

General

- r) As session law, continue to define “*” as designating an appropriation exempt from lapsing. 155
- s) As session law, continue to define *expenditure authority* as continuously appropriated monies included in individual line items of appropriations.
- t) As session law, continue to define *review by the Joint Legislative Budget Committee* as a review by a vote of a majority of a quorum of the members.

4. Includes the following major additions, deletions or modifications of footnotes. This list does not include footnotes pertaining to one-time reports or appropriations or footnote changes conforming to enacted policy:

ADOA

- a) Retains footnote requiring the department to report by August 1, 2017 on the maintenance savings associated with replacing vehicles with an average of 80,000 miles.
- b) Adds footnote authorizing the department to use the Risk Management Fund to settle any debts owed to the federal government due to disallowed costs. Only includes debts associated with FY 2016.
- c) Adds footnote extending the lapsing date of monies allocated for agency relocation costs associated with renovation of the 1740 W Adams Building in the FY 2017 budget to June 30, 2018.

ADOA - Automation Projects Fund

- d) Adds footnote extending permission to spend FY 2016 appropriations for the Department of Environmental Quality's e-licensing project through the end of FY 2018.
- e) Adds footnote extending permission to spend FY 2017 appropriations for information technology projects at the Departments of Administration, Child Safety, Corrections, Economic Security, and Education through the end of FY 2018.
- f) Adds footnote making the FY 2015 appropriation for DCS' CHILDS replacement project non-lapsing through FY 2018.
- g) Adds footnote extending the lapsing date of the FY 2016 appropriation for DES IT security project to June 30, 2018. Does not allow the department to divert the FY 2016 and FY 2017 monies for IT Security for a study of any DES automated information system. On or before December 2, 2017, the department shall submit a report for review by JLBC on the status of the department's IT security system.
- h) Adds footnote re-purposing \$6,100,000 of the FY 2017 appropriation for E-Procurement Project for DCS' CHILDS Replacement project in FY 2018.
- i) Adds footnote allowing a \$1,000,000 Automation Projects Fund allocation from FY 2017 that was originally designated for a feasibility study for replacement of the Department of Revenue's enterprise tax system to lapse into the Liability Setoff Fund.

AHCCCS

- j) Adds footnote requiring AHCCCS to submit a report to the Governor, the President of the Senate, the Speaker of the House of Representatives, OSPB, and JLBC on or before February 1, 2018 on the effects of Proposition 206 on the adequacy of the long term care

provider network for the Developmental Disabilities program and the Elderly and Physically Disabled program. The analysis would be delineated by geographic service area, and AHCCCS would be required to make recommendations on how to address any deficiencies in network adequacy identified in the report. Includes a \$200,000 appropriation from the Prescription Drug Rebate Fund to conduct the study.

Attorney General

- k) Adds footnote prohibiting monies appropriated to the Litigation Expenses line item in the Department of Child Safety's budget from being counted towards the Attorney General's Interagency Service Agreements Fund appropriation in FY 2018.
- l) Adds footnote appropriating \$1,500,000 from the General Fund to the Criminal Division in FY 2019 and FY 2020.

DCS

- m) Modifies footnote to reduce the department's benchmark for open reports to 8,000. States that the benchmark is based on the average number of incoming reports from March 1, 2016 through February 28, 2017.
- n) Modifies footnote to establish an out-of-home population benchmark of 15,191 children to be met on or before June 30, 2018. (Same 11.4% reduction requirement from FY 2017 budget)
- o) Modifies footnote requirement concerning the Moss-Adams audit of the department's financial processes by adding progress updates for JLBC review on or before September 15, 2017 and March 15, 2018.
- p) Adds footnote requiring that all expenditures from the Retention Pay line item be subject to prior JLBC review. States that it is the intent of the Legislature that monies from this line item be transferred to the department's operating budget in FY 2019.
- q) Adds footnote delaying the lapsing of backlog privatization monies until June 30, 2018.
- r) Modifies footnote to extend eligibility for the grandparent stipend to non-grandparent relatives and non-relative caretakers. Requires JLBC review prior to any change in the subsidy or income eligibility.

DES

- s) Retains footnote permitting the department to use up to \$25,000,000 from the Budget Stabilization Fund for the purpose of providing funding for reimbursement grants.

ADE

- t) Retains footnote from FY 2017 General Appropriation Act that would allow ADE to use a portion of its FY 2018 appropriations for Basic State Aid (BSA) or Additional State Aid (ASA) to fund BSA or ASA shortfalls that occurred in FY 2017, if any, after review by JLBC. Adds footnote for a 1.06% teacher pay raise in FY 2018 that will supplement and not supplant other salary adjustments provided by school districts and charter schools. States that it is the intent of the Legislature and the Governor that the monies be used to increase teacher compensation and that funding for an additional 1.06% teacher pay raise shall be included in the FY 2019 budget, for a cumulative increase of 2.12% compared to FY 2017. Teachers must have taught in an Arizona public school in FY 2017 to qualify for funding in FY 2018. A school district or charter school governing board shall take a separate vote on the use of the pay raise monies. ADE shall publicize the scheduling of the vote to teachers on its website at least 10 days before the vote. If the school district or charter school maintains a website, the school district or charter school must also publicize the vote on its website. Members of the school district or charter school governing body must attest that the pay raise will be implemented as part of the signed FY 2018 budget document for each school district or charter school. Adds pay raise monies to a district or charters' Base Support Level (BSL), which will cause non-state aid districts to use local monies to pay for the salary adjustment. Each school district and charter school will calculate the cost of the salary adjustment, which is subject to an independent annual audit.
- u) Adds footnote establishing a grant program to allow students who have completed at least 50% of a JTED program, but have graduated high school, to complete their JTED program.
- v) Adds footnote requiring the Office of the Governor to submit a report on or before November 1, 2018 to the President of the Senate and the Speaker of the House on the results of the school leadership training academy.
- w) Adds footnote requiring JLBC review before ADE can expend an additional \$400,000 from the Empowerment Scholarship Account Administration Fund for operating expenses.
- x) Adds footnote delineating the distribution of \$2,600,000 for rural assistance. Funding will be provided on a pro rata basis to school districts in counties with populations of less than 500,000 according to the 2010 United States Census, except that a school district or charter school that primarily serves homeless or special needs pupil may qualify for assistance regardless of its location.

Arizona State Lottery Commission

- y) Modifies footnote reducing the percentage of lottery revenues appropriated for Instant Tickets from 3.6% to 3.05%. 59

SOS

- z) Adds footnote requiring that any funds used for a statewide voter registration system shall include all data required to be sent by counties in a manner prescribed by the Secretary of State pursuant to A.R.S. § 16-168.

ADOT

- aa) Modifies footnote to reduce the department's risk management payment to the Arizona Department of Administration (ADOA) by \$(792,500) to \$15,981,300.
- bb) Retains footnote requiring the department to report to JLBC by July 31, 2017 on the cost of linking local governments, state agencies, and other uses to the new Motor Vehicles Division automated system.
- cc) Adds footnote that highway damages may not be credited against the highway maintenance line item. A.R.S. § 35-142.01 requires this provision in order that the damages cannot be both credited against the account as well as deposited into the recovery subaccount.

Universities

- dd) Adds footnote specifying the allocation of the 1-time funding of \$7,369,500 to Arizona State University (ASU) and \$4,157,700 to the University of Arizona (U of A). The sum of \$1,000,000 is dedicated to the School of Civic and Economic Thought at ASU and \$1,000,000 is dedicated to the Center for the Philosophy of Freedom at the U of A. These amounts shall supplement and not supplant funding for each of the freedom schools.
- ee) Adds footnote prohibiting the universities from expending their General Fund appropriations for contracted lobbyists.
- ff) Deletes footnote requiring the Arizona Board of Regents (ABOR) to allocate \$5,000,000 to the Universities using a performance funding model. Add to the base budget for each university.
- gg) Deletes footnote stating that it is the intent of the Legislature that ABOR use the adopted performance funding model in developing and submitting budget requests for the Universities.

Miscellaneous

- 5. States legislative intent that all departments, agencies or budget units receiving appropriations under this act are to continue to report actual, estimated and requested expenditures in a specified format.
- 6. Provides footnote instructions.
- 7. Contains other reporting requirements.

8. Contains definitions sections.
9. Becomes effective on the general effective date.

Amendments Adopted by Committee of the Whole

DPS

1. Eliminates the canine reference relative to vehicles.
2. Makes sexual assault dollars nonlapsing through FY 2019.
3. Makes microwave IT dollars nonlapsing through 2019.
4. Adds \$500,000 from the Public Safety Equipment Fund for camera IT technology.

Auditor General

5. Specifies CAWCD audit as a “special audit” and requires them to report by December 31, 2017.

SFB

6. Clarifies that the new school construction monies include monies for land.

SOS

7. Corrects a \$100 fund sourcing error.

Universities

8. Earmarks \$1 million of Arizona State University's and \$1 million of the University of Arizona's funding from section 130 to their freedom schools.
9. Adds a prohibition for General Fund monies for contracted lobbyists.
10. Technical – changing “former” school to “existing” school.

Department of Education

11. Eliminates the 500 student count cap to qualify for funding for rural schools.
12. Adjusts the teacher pay raise from 1.0% to 1.06%; have non-state aid districts use local dollars to pay for their salary adjustment; have districts and charters rather than ADE compute the cost of their teachers’ salary adjustment, subject to audit.
13. Adds \$400,000 from the ESA Admin Fund for operating expenses, subject to JLBC review.

14. Contains technical corrections for teacher salary increases.

Judiciary

15. Appropriates \$137,000 from the Legislative, Executive and Judicial Land Fund to offset an incorrect risk management charge.

16. Appropriate an additional \$87,200 to the Division Two Court of Appeals.

Revenue

17. Update revenue estimate to conform to personal exemption change in HB 2528.

Senate Action

APPROP 5/3/17 DP 6-4-0

Prepared by Senate Research

May 8, 2017

CS/jn